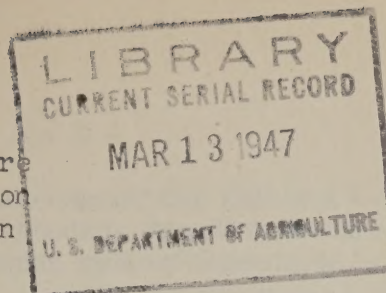


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United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Region
Washington 25, D. C.



March 5, 1947

AGRICULTURE IN ACTION

Dear Committeemen:

The information included in this letter is to assist you in the administration of Production and Marketing Administration programs and provide understanding of related actions.

A. W. Manchester
A. W. Manchester
Director, Northeast Region

WHOLESALE PRICES NOW 49%
ABOVE FEBRUARY 1942 - MOST
OF INCREASE SINCE LAST JUNE

Striking price changes have taken place during
the past seven months.

Since February 1942, when price control was put
into effect, prices rose only 11 percent up to February a year ago.

Last June when price control lapsed, they stood at 17 percent above the price
control beginning date.

Now, with price control ended, they stand at a record level -- 49 percent above
February 1942.

The 1942 dollar was worth 85 cents in the wholesale market when price control
ended. It has shrunk to 67 cents now.

The table below shows PERCENTAGE increases of WHOLESALE prices for selected
groups of commodities.

FROM MID-FEBRUARY 1942

Commodity	To	To	To
	Mid-February 1946 (Percent)	End of June 1946 (Percent)	Mid-February 1947 (Percent)
Farm Products	29	39	68
Foods	14	21	71
Hides and Leather Products	3	7	50
Metal and Metal Products	2	8	33
Building Materials	9	19	57
House Furnishing Goods	3	6	18
Textile Products	8	16	45
All Commodities	11	17	49

COMMODITY RESEARCH
COMMITTEES NAMED

Commodity Advisory Committees to assist in developing plans and work under the Research and Marketing Act of 1946 have now been named for cotton, citrus, dairy and wool.

Functions of the committees will be to review problems concerning the commodities and to suggest possible lines of research or marketing services which would aid in solving those problems. Committee recommendations will be used as a guide in shaping plans for expanding Federal-State research and marketing activities as soon as Congress grants funds now authorized.

Other preparations by the Department of Agriculture for the enlarged research program have been naming an 11-man National Advisory Committee, designating E. A. Meyer as special coordinator for plans and work in connection with the legislation, and establishing a small staff to assist Mr. Meyer. Two meetings of the National Committee have been held and the third is scheduled for April.

The Research Act authorizes expanded research into basic laws and principles of agriculture, and broadened research and services in connection with problems of marketing, transportation, and distribution of farm products. Special attention would also be given to developing new uses for farm products, expanding present uses, and improving marketing facilities and services to promote a sound, efficient, privately operated distribution system.

Members of the Dairy Advisory Committee are: R. W. Blackburn, Safeway Stores, Los Angeles, Cal.; Paul F. Sharp, Director of Research, Golden State Co., Ltd., San Francisco, Cal.; C. W. Earle, producer, Rayville, La.; Frank W. White, President, Minnesota Farm Bureau, St. Paul, Minn.; Frank Stone, Sales Manager, Land O'Lakes Creameries, Inc., Minneapolis, Minn.; E. W. Gawnitz, Executive Secretary, National Cheese Institute, Chicago, Ill.; A. H. Lauterbach, General Manager, Pure Milk Asso., Chicago, Ill.; Mr. Marion Moore, President, Indiana Condensed Milk Co., Indianapolis, Ind.; Ken E. Geyer, Manager, Connecticut Milk Producers' Asso., Hartford, Conn.; T. G. Stitts, H.P. Hood & Sons, Inc., Boston, Mass.; L.F. Friend, Secretary, Mid-South Milk Producers' Asso., Memphis, Tenn.

DPMA TO HELP SUPPORT
NONFAT DRY MILK PRICES

Support of prices of nonfat dry milk solids, often called powdered skim milk, has been authorized by the USDA. Purchases will be made by the Dairy Products

Marketing Association at not to exceed 10 cents a pound for spray process and 9 cents for roller process products. The first authorization is for the purchase of 5 million pounds of nonfat dry milk solids.

During recent weeks the prices of these products have declined several cents a pound. The present action was taken to protect farmers against a further decline.

The DPMA is a non-profit organization of regional dairy marketing cooperatives, created in 1938. It has acted as agent for the Department in market purchases of dairy products in both market stabilization and procurement programs of the Department.

Great changes took place in the production and use of nonfat milk solids during the war. Farmers were urged to market whole milk rather than to separate the milk on the farm. Production of the nonfat dry milk solids nearly doubled in the 6 years from 1940 to 1946. The price doubled also . . . from 7 to 14 cents a pound in 1947.

The supplies purchased by the DPMA will be available for the School Lunch Program. They will also be available for domestic markets if their price rises above support levels.

CROP INSURANCE PROGRAM SHOWS
IMPROVEMENT, SAYS ANDERSON

Operations of the Federal Crop Insurance Program in 1946 show great improvement over 1945 and previous years, Secretary of Agriculture Clinton P. Anderson points out in a statement sent to Congressional and farm organization leaders.

The Secretary's statement, based on a current report made by Manager G. F. Geissler of the Federal Crop Insurance Corporation, says that operations of the program in 1945 were much more satisfactory in many respects than previously indicated.

Unusual operating difficulties were encountered in 1945 in resuming the crop insurance program after a period of liquidation, the statement continues. Participation was below normal, and field expenses were abnormally high.

The final report of the 1945 ratio of administrative expenses to total insurance premiums is much better than shown by preliminary estimates. For 1946, the Secretary states, "the over-all ratio of sales and administrative expenses to total premiums is very good -- well within the limits established by Congress."

According to Secretary Anderson, the Manager's report shows real progress. Many steps have already been taken, or are now being initiated, to effect major improvements in operations. These include adjustments to strengthen procedures in regard to underwriting, loss adjustment, allocation of field administrative funds, and other basic phases of the crop insurance program.

SOYBEAN PRICE Farm prices for the 1947 crop of soybeans grading U.S. No.2
SUPPORT SET AT \$2.04 and containing 14 percent moisture will be supported at
 \$2.04 per bushel for green and yellow varieties. Prices
for brown, black, and mixed varieties will be supported at \$1.84 per bushel, the
Department of Agriculture announced.

Methods of price support will include loans and, if necessary, purchases by the Commodity Credit Corporation.

To meet estimated domestic requirements and exports in 1947-48, farmers have been asked to harvest 11,244,000 acres of soybeans this year -- an increase of 1,638,000 acres above the 1946 harvested acreage. This is part of an over-all program to boost domestic production of fats and oils to meet the large post-war demand for these products.

CONSUMPTION OF DAIRY The supplies of dairy products in terms of milk
PRODUCTS IN 1947 WILL equivalent available to civilians in 1947 may be
PROBABLY BE LESS THAN 1946 about the same as in 1946, but since it will be dis-
 tributed to a larger civilian population consumption
per person probably will be somewhat less.

According to BAE's monthly Dairy Situation, more butter probably will be consumed per person but little change is expected in other manufactured products. Prices received by farmers for milk and butterfat are expected to decline more than seasonally from the November peak, as greater than seasonal price decreases occur in such major products as butter, cheeses other than Cheddar and perhaps fluid milk and cream. However, the average prices received by farmers for milk and butterfat during the first half of 1947 are likely to be above the January-June average in 1946.

PROSPECTS FOR POTATO
EXPORTS IMPROVING

Prospective demand for potato exports of approximately 130,000 tons to Rumania, Italy, France, and Belgium, plus possible disposition of 185,000 tons in occupied countries through the U.S. Army, has resulted in the USDA cancelling instructions to dump potatoes where no outlet is available.

U.S. No. 1 potatoes can be diverted to starch or livestock feed to fill outstanding orders and where lower grades are not available. However, the use of lower grades is encouraged. U.S. No. 1, size B, and U.S. No. 2's, culls, and deteriorated lots should be used for these purposes.

Through March 3 approximately 4000 cars of potatoes (about 100,000 tons) have been exported, 3200 of which were shipped from Searsport, Maine.

Orders have been placed for shipment this week of about 225 cars to Spain, 240 cars to France, and 620 cars for relief feeding. Orders in Maine for export approximate 100 cars per day. It is expected that such orders will be increased as soon as cars become more readily available to shippers. Boats have been scheduled for weekly shipments throughout the month. Other ports will be opened to exports as soon as arrangements are completed.

MASS. STILL LEADS WITH
55 PERCENT OF 1946 ACP
PAYMENTS CERTIFIED

Through February 21, States in the Northeast Region had certified 1946 Agricultural Conservation payments totalling \$1,234,046, 19.8 percent of the estimate. Massachusetts is still in the lead with 55.2% - \$159,217; Pennsylvania, 23.8% - \$570,956; Vermont, 19% - \$54,491; Maine, 20.6% - \$81,015; New York, \$14.9% - \$249,740; New Jersey, 11.3% - \$96,843; Connecticut, 8% - \$20,232; New Hampshire, 2.4% - \$1,552; Rhode Island, none.

The progress report for the period ending January 31 showed the following:

State	Applications for Payment			Farms Enrolled		
	Estimated	Rec'd	Percent			
	Total Appli- cations	State Office	Received	1946	1947	Percent 1947 of 1946
Maine	4,010	1,712	42.7	13,333	3,348	25.1
N.H.	1,644	24	1.4	7,060	975	13.8
Vt.	2,879	1,085	37.7	11,999	8,775	73.1
Mass.	5,465	1,814	33.2	10,168	5,313	52.2
Conn.	2,835	76	2.7	5,665	—	—
R.I.	168	55	32.7	919	75	8.2
N.Y.	26,644	1,584	5.9	81,460	33,568	41.2
N.J.	10,541	1,099	10.4	12,917	8,532	66.0
Penna.	39,072	6,891	17.6	98,262	24,008	24.4
Total	93,258	14,340	15.4	241,783	84,594	35.0

UNRRA AGRICULTURAL SERVICES
TO CONTINUE UNDER FAO

A number of the technical and advisory services initiated by UNRRA to increase food production in war-devastated lands will continue under the Food and Agriculture Organization of the United Nations.

UNRRA is turning over a portion of its agricultural rehabilitation functions and personnel to FAO. Voluntary cutbacks in rehabilitation supplies programmed by UNRRA will provide a fund of \$600,000 to finance the project.

SECRETARY OUTLINES SUPPORT
POLICY FOR EGGS

Secretary of Agriculture Clinton P. Anderson told members of the poultry industry recently, in giving an outlook picture, that the "basic market" for eggs remains at home, with exports at best a sideline.

Outlining how the price of eggs will be supported without encouraging the production of surpluses, the Secretary said:

"First, we will support a national average egg price of 90 percent of parity. Second, we will do this through the purchase of dried and frozen eggs."

He gave two reasons for placing major emphasis on dried and frozen eggs: The Government stands a good chance of finding a market for them abroad, and if they are not all exported they can still be handled in such a way as not to depress the price of shell eggs during periods of surplus production.

Poultrymen face the problem of production outrunning demand, Secretary Anderson said, and operations should be adjusted to the new situation. "The poultry industry has two more years of price supports to protect them while they put their house in order. If they move without delay, the industry should face a long period of prosperity."

AGRICULTURE MISSIONS REPORT
ON CHINA AND PHILIPPINES

Greater farm production and raising the standards of rural people are major needs in China and the Philippines, report two agricultural missions sponsored by the U. S. Department of State and Agriculture.

Leading agricultural technicians of this country and of China and the Philippines spent 4 months last year conducting intensive on-the-scene surveys of immediate and urgent farm problems, and planning long-term programs for the agricultural betterment of the two countries. The U.S. sections of the missions returned last November.

Specific recommendations by the missions to achieve the desired objectives deal with (1) measures designed to increase the per capita production of farmers, and (2) steps which should be taken if the farmer himself is to benefit by such improvements.

The missions also assert in their reports that increased use of chemical fertilizer and improved seed, more scientific methods of disease and pest control, improvement of tenancy conditions, marketing organizations and better credit facilities are all essential to the improvement of agricultural living levels in China and the Philippines.

DRY BEANS TO GO TO
NEEDY COUNTRIES

Emergency allocations of 220,000 hundred-pound bags of dry edible beans have been made by the U.S. Department of Agriculture for countries where food remains severely short.

Italy will receive 88,000 bags; the United Kingdom, 66,000 bags; Austria, 44,000 bags; and Greece, 22,000 bags. These allocations are in addition to those previously announced.

Domestic consumption of dry edible beans is below normal, Department officials said.

APRIL GRAIN EXPORTS ALLOCATED -- Export allocations of 1.5 million long tons of grains -- almost 58 million bushels -- have been set for April by the Department of Agriculture. The exports will consist of: Wheat, 18,741,000 bushels; flour (wheat equivalent), 16,053,000 bushels; corn, 19,600,000 bushels; grain sorghums, 2,160,000 bushels; barley, 1,120,000 bushels.

During May and June, export emphasis will be mainly on corn and other grains. Flour exports will continue, but no further 1946-crop wheat allocations are expected, pending final reappraisal of total wheat supplies. Since July 1 of last year, USDA has bought about 153 million bushels of wheat for export, in addition to 30 million bushels owned on June 30, 1946.

Exports of 1947 crop wheat are planned as soon as early harvests are completed in the Southern Great Plains. If the season is early, as it was last year, some of the crop could move in June.

While much of the flour, corn, and other grains for export will be handled directly through commercial trade channels, the Department's purchases will be continued to complete its proportion of the allocations.

Canada and Argentina are expected to increase their exports of wheat during May and June.

* * *

---Foods in plentiful supply for March include potatoes, eggs, broilers, fresh grapefruit and oranges, canned citrus juices and grapefruit segments, and peanut butter. Also in the abundant list are heavy tom turkeys weighing from 24 to 30 pounds.

* * *

---Total purchases of concentrated orange juice by the Department of Agriculture were 755,386 gallons, USDA announced on completion of the program. Purchases were made in Florida with funds authorized under Section 6 of the National School Lunch Act.

* * *

---Hog slaughter for the week ended February 22 was estimated at 950,000 head -- 10 percent below the 1,058,000 slaughtered the week before, and 3 percent below the same week in 1946.

* * *

(Agriculture in Action -- Issued weekly and distributed in the Northeast to State PMA Committeemen, State Offices of PMA; Farmer Fieldmen, County Offices in Mass., Conn., Penna., N.J., and N.H.; County Committeemen in N.J., Penna., N.H. & R.I.)

Radio Transcription
A. W. Manchester, Director
Northeast Region, Field Service Branch
Production and Marketing Adm., USDA
March 6, 1947 - 6:15 a.m.
Station WBZ - Boston, Mass.

It looks as though quite a few more of those millions of bushels of surplus potatoes were going to serve a good purpose. Europe's food shortages have grown more and more acute in the last few weeks. The hunger there is said to be almost as bad as last year's.

European countries are turning to those potatoes that we haven't any use for in this country.

How many are likely to be exported in total is still quite uncertain. At best it is likely to be only a rather small part of that 100 million bushel surplus we originally had to deal with. But the orders are increasing at a very encouraging rate.

It is too bad that the shipments couldn't have started in large volume long ago. Some were shipped to France and Belgium but not enough to utilize our shipping facilities to the full.

As a consequence, some potatoes have already been dumped. There were a good many potato storages so overcrowded with potatoes that proper ventilation and management of the storage were impossible. The overcrowding was damaging or threatening the entire quantity. There was grave danger of big potato losses in storage.

Some of the potatoes had to be taken out to protect the rest. Where no other use was available, they were dumped.

If those potatoes were in storage now, there is no certainty that they could be gotten to the seaports for shipment. In fact, it is very likely that we still have many more than can be shipped.

But, if the movement could have started in a bigger way in the fall or early winter, there could have been more food in starving Greece or Rumania or Italy.

It is going to be a tough job now to get enough refrigerator cars to move even a substantial part of the potatoes that are still available.

One of the worst handicaps that American agriculture and business have had during the last few years is shortage of freight cars. The worst problem of all has been lack of box cars. This shortage has handicapped badly the movement of grain as well as of all sorts of freight. Just now it is holding down shipments of agricultural lime for use in the conservation program. But the potato problem is the critical undersupply of refrigerator cars.

The demand for cars for shipment of northern potatoes for seed and food in this country reaches its peak at this time of year, so that the competition for cars is very keen.

(Continued next page)

Efforts are being made to get substantially more cars into the potato areas, to make these exports possible. How many potatoes the hungry of Europe will have will depend at least in part on how many additional refrigerator cars get to Maine and other late potato States.

This economy of ours operates on very narrow margins. When we reach anything like full production, it begins bursting out at the seams in all sorts of places. All sorts of shortages show up.

With just a little prosperity, agriculture, for instance, is short of not only transportation but of fertilizer, machinery, building materials and many other supplies. There might be enough of these for an agriculture in depression, producing in a pinched and half-starved way, but there isn't nearly enough for an agriculture running with the brakes off.

The same is equally true of industry. How to produce abundantly in an economy in which scarcities pay best is one of the economic problems of our day.

But, so far as potatoes go, transportation is now definitely the bottleneck.

The new developments seem likely to bring a slowing down in the program of furnishing potatoes for livestock feed.

That was a great deal better than dumping them. County conservation committees have done an outstanding job of building up the use of potatoes by feeders, most of whom were initially very skeptical.

As a rule, feeders have been pleased with results. Successful feeding of potatoes requires steady feeding -- not some this week and none next week. When feeding is stopped, milk production is likely to drop decidedly.

But if the Europeans need them, obviously the cows will have to go without. At the moment, there is talk of limiting shipments for feeding to the lower grades. Where we shall go from here will depend on how the situation develops.

This begins to look like about the last chapter in the story of that enormous potato crop of 1946. Every area had yields far above normal. Every area had serious price support problems. A good many things happened that nobody liked. But in total a successful job has been done of supporting the price.

If you don't count in the excise taxes on alcohol made from potatoes, it will cost a good deal of money. One estimate is 80 million dollars. If you credit the taxes, it has yielded the Government a profit. But, in any case, the potato growers are prosperous today instead of bankrupt and some fine sections of the country are thriving, bustling customers for the rest of the country instead of pinched and threadbare -- solely because there was an effective price support program for potatoes.

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United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Region
Washington 25, D. C.

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U. S. DEPARTMENT OF AGRICULTURE

AGRICULTURE IN ACTION

Dear Committeemen:

The information included in this letter is to assist you in the administration of Production and Marketing Administration programs and provide understanding of related actions.

A. W. Manchester
A. W. Manchester
Director, Northeast Region

NEW POTATO PRICE Potatoes in my life seem to be about like Banquo's ghost
SUPPORT PROGRAM SET to the MacBeth family. They "will not down." A couple of
 weeks ago I gave what I claimed was the last chapter of the
story of the 1946 crop. If that was the last chapter, I am going to start today
with Chapter I of the 1947 crop.

For the long-awaited official statement on how the job of supporting the price of the 1947 crop is to be done was announced last Thursday. It still doesn't give all the details of just how operations will be carried on but at least it covers all that a grower absolutely needs to know at planting time. Here is the gist of it, as I understand it.

As has been announced, price support will be offered only to the grower who does not plant more than the acreage goal assigned him by his county committee. In total, the goals for the country represent a cut of around 150 thousand acres.

In addition to planting within his goal, a grower who desires price support may be asked to enter into an agreement with the Government. This agreement feature has not been fully decided yet but there are, I understand, two principal purposes in mind -- keeping low-grade potatoes off a badly overloaded market and getting the crop -- particularly the late crop -- marketed at an orderly rate. If agreements finally become a part of the plan they are likely to cover these two features.

The price will be supported by purchases by the Government from the eligible growers. Loans will not be required for the support program. It is possible that they may be offered as a service to growers if State committees decide that they are seriously needed. It is expected that a small fee similar to that paid on loans in previous years will be charged those who sell to the Government.

Purchases will be made at the full support price. Potatoes so bought will be subject to resale at lower market prices.

This is, I think, the heart of the program, so I want to make it perfectly clear. Let me take an example. The support price in New Jersey in August will be \$2.45 per 100 lbs. of U.S. No. 1 potatoes. If the market calls for price support, the Government will buy all potatoes offered by cooperators and pay the \$2.45. It will then be free to turn around and offer the potatoes to the potato trade or any other reputable buyer at a lower price -- \$1.50 or \$1.75 or \$2.00 a hundred, or whatever price conditions warrant.

(Continued next page)

(Continued from page one)

If there is a substantial surplus, this resale price will presumably be the market price -- \$1.50, \$1.75, \$2.00, or whatever it is. Cooperators then will be getting \$2.45 and non-cooperators, the \$1.50, \$1.75, and so on.

It is the announced intention to offer the potato trade an opportunity to participate fully in the program and to carry out their normal marketing functions. The actual buying may be done by dealers under contract with the Government, who may also be authorized to dispose of lower grades or other specified potatoes for livestock feed, manufacturing or export.

Or, growers may, if conditions warrant and authorization is given, sell potatoes direct to manufacturers or feeders with whom Government contracts have been made who will pay support prices and be reimbursed for the difference between the prices paid and the value of the potatoes for the uses to which they are put.

Definite support prices have been announced for the spring and summer months and for the States that market substantial quantities then. For New Jersey and Long Island, the summer price is, as I have said, \$2.45 a hundred pounds of U.S. No. 1 potatoes. This is 35 cents higher than the support price in 1946. Under the law, support is to be at not less than 90 percent of parity. The sharp rise in prices farmers pay has forced a rise in parity in the past year.

In case there are potato surpluses, it is hoped to handle the situation as far as possible by the removal of the lower grade and less desirable potatoes from the market. If there are too many potatoes it makes sense to have the consumers get the best and the cows or the alcohol vats the lower grades. It hasn't always worked out that way in the past.

To that end growers in certain areas may be asked to consider marketing agreements prohibiting the marketing of the lower grades except in designated channels. These marketing agreements are only put into force if two-thirds of the growers vote for them.

This whole plan has among its possibilities --

- (a) Better potatoes for consumers and possibly increased buying of potatoes as a consequence.
- (b) Lower prices for consumers at the same time that the cooperating grower gets the full support price.
- (c) Greater participation by the potato trade, and
- (d) Prompter payment to the producer, as well as freedom from the necessity of making a loan if he doesn't want to.

The potato program as announced is undoubtedly a compromise between sharply conflicting points of view and will inevitably be criticized by those who are no compromisers. It appears to be, however, an honest attempt to arrive at a plan that is as satisfactory to disagreeing factions as possible and that will do the job at the same time that it avoids as far as possible the difficulties revealed by earlier programs.

---A. W. Manchester, Radio Transcription

March 20, 1947 - Station WBZ, Boston, Mass. 6:15 a.m.

CAMPAIGN PLANNED AGAINST GOLDEN NEMATODE, THREAT TO POTATO INDUSTRY

The U.S. Department of Agriculture and the New York State Department of Agriculture and Markets will cooperate this season to find means for an all-out offensive against an alien plant pest that threatens the U.S. potato-growing industry. This pest -- the golden nematode -- is a major crop pest in several European countries, including England where it now infests from 65 to 75 percent of the potato fields in the more important potato-growing areas, and where potatoes cannot be grown profitably in heavily infested soil.

So far the golden nematode in North America has been found only on 2600 acres of potato land on Long Island, N.Y. It probably came here from Europe, but how or when is not known. In 1934, a farmer near Hicksville noticed a few spots in his potato field where the vines were stunted or off color. He had a good stand and was still getting a good yield, except in those few spots. By 1938 the spots had multiplied, so that the grower, suspecting a soil deficiency had his soil analyzed. Not until 1941, however, was the trouble correctly diagnosed as the result of the nema's feeding on the potato roots.

Tests by nematologists of the USDA show that some of the new soil fumigants, notably "DD" and new equipment for applying them give effective control of the nematode but the method is expensive and does not completely eradicate the pest.

Some of the golden nematode's habits are an aid, others a hindrance, to its control. The complete lack of any signs of its presence in the early stages of its attack on a potato plant handicaps surveys for its spread to new areas. Its ability to live without food for several years and its failure to succumb entirely to any soil treatment yet devised also make its control more difficult. Although it is capable of such serious damage as to prevent profitable potato production, its slow spread keeps it from becoming a sudden threat to American potato growers. Its hidden increase is an insidious menace to existing potato fields and to other potato areas in the United States.

MAIN SHIPMENTS CONTINUE LARGE

Shipments of United States grain abroad continue high as February exports push the total shipped to three-fourths the goal figure established for the 1946-47 marketing year.

This leaves about 100-million bushels of the 400-million bushel goal to be shipped during the remaining months of the current marketing year. Over half this amount has been allocated for exports during March. If the current shipping rate is maintained through April, the goal will be exceeded by May 1.

Nearly 700 million bushels of grain and grain products were shipped during the 6-month period from July through February. Of this amount over 335 million bushels were wheat and flour equivalent. The wheat export goal of 267 million bushels will be met with the shipment of an additional 32 million bushels.

About 65 million bushels of the 133-million-bushel goal for corn, oats, and other grain products has been shipped. About 68 million bushels of the goal for those grains remains to be shipped.

The daily average of exports in February was the largest for the current marketing year. About one-half of February shipments went to occupied zones in Europe and Asia and to UNRRA countries. Cash paying governments received the rest of the 50 million bushels exported in February.

NEW JERSEY PREPARES
FOR 1948 WHEAT CROP
INSURANCE CAMPAIGN

To avoid conflict with the potato marketing season, New Jersey crop insurance sales agents plan to launch the 1948 selling campaign early this year. In preparation for the drive, training meetings for agents are being held this week, at Belvidere, March 18 and Freehold, March 19.

LOUISIANA FARMER CREDITS
SOIL CONSERVATION FOR
NUTRITIOUS FOOD

Soil erosion and depletion, which cause lack of proper food values in many of the crops grown in his State, are a vital concern of D. L. Pearce, conservation farmer and Chairman of the Agricultural Committee of the Louisiana House of Representatives.

"Our people are no stronger -- physically and mentally -- than the soils from which they eat," he asserts, in an article in the March issue of the Farm and Ranch.

Mr. Pearce's own farming operations at Oak Grove furnish proof of his assertions that the needed soil-conservation measures will control soil depletion. On the two farms which he operates, he has limed and spread phosphate whenever soil tests showed these elements lacking, and has added nitrogen by growing legume crops.

The effects of the conservation methods show up in last year's average yields of cash crops. Cotton made 27 bales on 25 acres. Corn made about 25 bushels to the acre. Sweet potatoes averaged 226 bushels an acre; Irish potatoes 55 sacks; oats 45 bushels; and hay yields around two tons to the acre.

When the smaller farm's conservation plan -- calling for several drainage ditches -- is completed, Pearce will have the use of about 40 acres of land which now stand under water too often to cultivate or pasture successfully.

"Our soils, now that we handle them the right way, produce well," he says. "I give a lot of the credit for the prosperity we are enjoying to the soil-improvement work that has gone into this farm."

UNRRA PROGRAMS
NEAR TO CLOSE Up to March 1, shipments by the United Nations Relief and Rehabilitation Administration totaled almost 22 million long tons, valued at nearly \$2.5 billion. About \$400 million worth of supplies remain to be shipped to receiving countries from all supplying countries.

UNRRA's over-all program of operations is 95 percent completed and, except for a food item, its purchase program in the U.S. is over. As the program draws to a finish, missions in foreign countries are gradually being closed.

In China, most of UNRRA's basic supplies, such as food and medicine, have had to be distributed free to the needy, and the China Government has had to finance distribution out of its own resources rather than from proceeds of the sale of supplies. To help provide these funds, the Government has been authorized to use all proceeds from the sale of UNRRA cotton for 6 weeks in financing distribution of other relief supplies.

USDA SHIFTS DRIED
EGG PURCHASE PROGRAM

Egg driers were notified by USDA Mar. 14 that, effective immediately, a price support program for dried whole eggs will replace the procurement program under which dried eggs were being obtained for Great Britain. Essential operating difference between the two programs is that the new program contains a cancellation provision which was not included in the procurement program. Initial offers of dried whole eggs for delivery in April under the new program will be considered under announcement Py-30 each week beginning Tuesday, March 18, until further notice.

The program is being launched as a companion to the frozen egg price-support program announced late in January. Powder purchased under the program will be used to complete present unfilled commitments with the United Kingdom and future export demands as they occur.

The purchase program for dried whole eggs is the second direct price support measure for eggs to be announced this year. It will be used, as it is needed, to provide price support, along with the frozen egg program, in areas of heaviest production of shell eggs.

No limit has been set on purchases under the price support program for dried whole eggs. While the Department does not plan aggressive buying under either the frozen or dried egg programs now in effect, offers will be considered as they are made by breakers and driers.

Driers who sell to the Government under the price support program must certify that they have paid producers prices averaging not less than 33 cents a dozen for all the shell eggs they buy. The 33-cent producer price will prevail for the remainder of March and through April.

Purchases of dried and frozen eggs made by Government so far this year for price support and procurement purposes are as follows: Dried whole eggs for the United Kingdom, 29,157,000 pounds out of a total commitment for 33 million pounds; and frozen eggs for price support, 29,095,100 pounds of which offers amounting to 9,394,660 pounds have been cancelled.

60 PERCENT OF 1946
ENROLLMENTS REPORTED
IN NORTHEAST MARCH 1

New Jersey leads with 90.4 percent of the 1946 ACP enrollments made for 1947, according to the February 28 progress report from the Northeast States. The regional enrollment was 59.7 percent. Individual State reports on enrollments and 1946 applications for payment follow for the period ending February 28:

State	Applications For Payment		Payment Certifications		Farms Enrolled		
	Est. Total	% Received	Certified	Percent	1946	1947	% 1947
	<u>Applications</u>	<u>State Of.</u>	<u>Mar. 1/7</u>	<u>Certified</u>			<u>of '46</u>
Maine	3,847	64.0	\$94,594	23.8	13,333	5,772	43.3
N.H.	1,274	26.8	3,263	4.3	7,060	3,860	54.7
Vt.	3,178	62.0	102,998	38.1	11,999	10,321	86.0
Mass.	5,185	65.9	159,217	36.9	10,168	6,959	68.4
Conn.	2,722	22.5	39,827	15.0	5,665	—	—
R.I.	168	49.4	—	—	919	478	51.8
N.Y.	26,431	23.1	460,891	20.9	81,463	58,295	71.6
N.J.	10,330	25.9	169,795	18.3	12,917	11,678	90.4
Penna.	36,817	39.0	666,386	28.1	96,342	47,117	47.9
Total	89,652	35.6	\$1,696,971	24.4	241,866	144,478	59.7

MILK PRODUCTION UP, EGGS DOWN FROM A YEAR AGO

Milk production per cow during February was at the highest volume on record for that month on a national average. Because of fewer cows, however, total production was slightly below the peak Februarys of 1944 and 1945.

The February milk output this year totaled 3,491,000,000 pounds -- an increase of 276,000,000 pounds over February 1946.

National egg production during February was 4 percent less than in February 1946 but 31 percent above the 1936-45 average.

ADDITIONAL WHEAT FOR SEED ARRANGED FOR FRANCE

Up to 200,000 tons of additional wheat for seeding purposes in France has been recommended for export by the International Emergency Food Council. Because of a severe December, wheat stands have been destroyed by frost.

The 200,000 tons recommended will include (1) 150,000 tons to replace domestically-produced wheat used in France for reseeding winter wheat stands; and (2) up to 50,000 tons of spring wheat -- if obtainable -- from other countries for direct seeding.

FAT SALVAGE PROGRAM AVERAGED 450,000 LBS. COLLECTED A DAY SINCE '42

Four hundred and 50 thousand pounds a day for 1645 days is the production record of the Fat Salvage Program from August 1, 1942 through January 31, 1947. In terms of soap, this is equivalent to 750,000 pounds of soap per day, or eight pounds of soap per family per year during this critical four-and-a-half year period. In terms of glycerine, it adds up to about 35,000 pounds of glycerine per day.

The civilian population contributed 74 percent of the total 694,913,606 pounds collected while the military contributed 26 percent.

In a letter to Dave Davidson, Director of the Field Service Branch, Wilder Breckenridge, Manager of the American Fat Salvage Committee, Inc. says, "One aspect in which I think we can all take some pride is that nearly one-third of the 54-month period -- 17 months to be exact -- has represented a peacetime continuation of a war-time program. During that 17 months since September 1, 1945, we have collected 184,640,000 pounds, or an average of 10,861,000 pounds a month.

"The whole record would seem to testify to the effectiveness of this Government-industry program and to the magnificent job that the Department has done to keep it functioning smoothly."

PUREBRED LIVESTOCK IMPORTATIONS INCREASE

More than 32,000 domestic animals were imported into the U.S. during 1946 and certified for pure breeding, the Department of Agriculture reports. This was 27 percent more than in 1945. The animals included 27,067 cattle, 3,101 sheep, 1,192 swine, 902 dogs, 139 horses, 3 goats, and two cats. Most of the animals were from Canada, but 10 other countries, including the Island of Jersey, were represented. The shipment of 74 cattle from Jersey was the first since the war.

FARM RESEARCH PAYS
HIGH DIVIDENDS

Here are examples of agricultural research by the Department of Agriculture that each year have repaid dividends many times over the total cost of the investment:

Hybrid corn research covering 30 years cost the Federal Government \$5 million and the States the same amount. Last year the Nation collected a dividend of at least \$750 million.

Livestock improvement. Butterfat production increased, under test, from an average of 215 pounds 40 years ago, to 339 pounds per cow for the one million cows in dairy-herd-improvement associations. At an average price of 50 cents, this increase of 124 million pounds of butterfat yearly adds more than \$60 million to income of dairy-herd-improvement association members. Average production for the remaining 25 million dairy cows has increased by 30 pounds during the same period as a result of good feeding, management, and improved breeding stock. This 750 million pounds of butterfat adds as much as \$375 million a year to dairy farmers' income.

Control of hog cholera research cost about \$50,000. Has been returning dividends for nearly 40 years at from \$10 million to \$15 million a year.

Grasshopper control. In 10 years 1936-45, grasshoppers destroyed crops valued at \$400 million. During the same period, Federal and State cooperative control measures saved crops worth \$600 million at a cost of less than \$25 million.

DDT, used in ridding cattle of flies saves an estimated \$10 million a year for owners of beef and dairy cattle.

Penicillin research costing \$100,000 made large-scale production possible during the war. No way to measure the value of dividends from this research; saved thousands of lives. Nearly \$2 million worth of agricultural products are used annually in producing penicillin worth \$100 million.

FERTILIZER INDUSTRY
COMMITTEE EXPECTS
INCREASED NITROGEN DEMAND

Between 800,000 and 850,000 tons of nitrogen will be needed for U. S. domestic consumption for fertilizer use during the year 1947-48, it was indicated by members of the Fertilizer Industry Advisory Committee who met in Washington March 13 with officials of the U.S.D.A. and other Government agencies interested in the fertilizer problem. The record supply of approximately 725,000 tons of nitrogen available for domestic use during the current year is considerably short of the record demand by American agriculture.

While the unprecedented demand for nitrogen, phosphates, and potash brought about by continued high production and good agricultural prices is greater than the available supply, the need for nitrogenous fertilizers is most acute. To meet this need committee members expressed the opinion that it might be necessary for the plants now being operated by the Army to be continued in operation until private industry has sufficient facilities to supply the demand. They recommended private operation of production facilities as soon as feasible.

The committee agreed that the most serious shortage was of nitrogen suitable for direct application, and an appeal was made that the fertilizer industry meet this situation by timing shipments of solid nitrogenous materials to those areas where immediate application is necessary, and to supply as large a quantity of the solid nitrogen materials for direct application as possible.

RESEARCH ADVISORY COMMITTEES
NAMED FOR DRY BEANS AND PEAS,
SOYBEANS AND FLAXSEED

The USDA announced March 13 the appointment of the dry beans and peas and the soybean and flaxseed committees which will serve in connection with the Research and Marketing Act

of 1946. With the appointment of the two groups, 10 of the 20 commodity advisory committees have been completed.

FOOT AND MOUTH DISEASE
CONTROL PLANS MAPPED

Plans are shaping up for putting into effect the cooperative program to eradicate foot-and-mouth disease in Mexico and to prevent its entry into the United States.

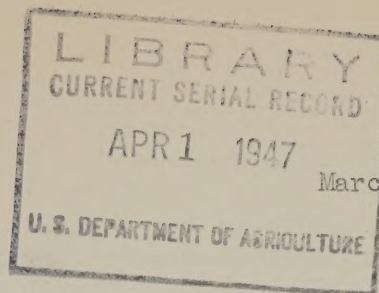
A Mexican-United States Agricultural Commission has recommended that a joint office be opened immediately in Mexico City, under the administration of a director -- a Mexican citizen appointed by the Mexican Secretary of Agriculture and Livestock Industry, and a co-director -- a U.S. citizen appointed by the U.S. Secretary of Agriculture. A joint administrative board and advisory committees also have been proposed.

Assurances were given the Commission that every possible assistance would be given the Mexican authorities in locating in the U.S. the supplies and equipment needed in connection with the program.

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(Agriculture in Action -- Issued weekly and distributed in the Northeast to State PMA Committeemen, State Offices of PMA; Farmer Fieldmen, County Offices in Mass., Conn., Penna., N.J., and N.H.; County Committeemen in N.J., Penna., N.H. and R.I.)

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United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Region
Washington 25, D. C.



AGRICULTURE IN ACTION

Dear Committeemen:

The information included in this letter is to assist you in the administration of Production and Marketing Administration programs and provide understanding of related actions.

A. W. Manchester

A. W. Manchester
Director, Northeast Region

FARMERS PLAN ANOTHER YEAR OF BIG FOOD PRODUCTION The report of what crops and in what amounts the farmers of the country intend to plant this year came out last week. It gave further evidence that, so far, we appear to be on the way to a year of big food production.

There are, to be sure, slightly reduced plantings of a few crops in farmers' plans at present. Among them, it looks as though corn and oats would be down two or three percent, but yields -- particularly of corn -- have been running so high that it is reasonable to expect heavy production of grain in spite of the lower acreage.

One of the sharpest cuts in crop acreages in the whole list is in potatoes. Farmers report an intended 12 percent cut from last year.

That figure is based on reports by farmers of their intentions on March first. At that time the details of the potato program had not been made public. The later announcement indicating that price support, if required by a large surplus, would be operated so as to give a distinct price advantage to the grower who cooperates in acreage adjustment, would seem likely to result in a little further cut in some of the highly commercial areas. If so, the reduction in potato planting may be even a little greater than the 12 percent.

It still looks as though there will be plenty of potatoes. Unless the upward surge of yields of the last few years is sharply set back by a bad crop year, there are likely to still be potatoes to divert to non-food uses. That increase in yield seems to be pretty solidly based on the shift of potato growing to high yielding areas, better fertilizing, better seed, the use of DDT and so on.

Offsetting these crops in which minor reductions are expected are crops like wheat which still appears likely to yield the biggest crop of all time.

Fortunately, it will probably all be wanted. The severe winter in Europe has raised hob with winter wheat in France and Belgium. That is a heavy blow to those countries when they are trying to struggle back from the postwar prostration, but it is good that we are likely to have the means with which to help them out a little.

(Continued next page)

(Continued from page one)

Besides wheat there are large plantings in prospect for several other crops that have been in short supply, among them flaxseed, rice, beans, soybeans and sugar beets.

The increases a little more than offset the decreases, so that if intentions are carried out, the total acreage of crops will be bigger than for the last two years. Farmers are shifting from less wanted crops to those that are needed more, rather than making a reduction in production. There is some indication, too, in the intentions report that they are trying to get over to cropping systems that give better protection to the soil.

The recent report covers only what farmers intend to do about their crops. The general livestock outlook is not reported at this time.

Just at the moment there is a good deal of uncertainty about how many chickens will be started for layers this year. A little while ago it looked as though the number nationally would be about the same as last year.

Whether the recent strengthening of the egg market will increase the hatch is pretty hard to guess. The number of pullets raised usually reflects, more or less, egg prices just before and in the early months of the hatching season. If eggs are high, more chickens are raised. The present strong egg market developed pretty late this year. It may have little influence on the number of chicks. And feed prices have shot up at the same time. That may offset the influence of better egg prices. I guess that we shall have to wait to see about how many hens we are likely to have next winter. If there are more pullets raised they are likely to be late pullets.

The other kind of livestock in which quick increases are possible is swine. The number born this spring is expected to be up a little from last year, but any large increase will have to wait at least until the fall pig crop.

Well! Everybody likes a big year.... American farmers as well as everybody else. And it's all to the good as long as folks want the goods and have some way of paying a fair price for them.

Fortunately, American employment is still at a high level, although not quite so high, nor quite so sure to stay high. Consumers' earnings aren't high enough now so that consumers can keep on buying goods as fast as they are being turned out. That is, they can't keep on at present prices. At least they won't be able to keep on after consumer credit has been stretched to the limit.

If we continue producing faster than we can buy, we can't help running into trouble. And when we do, the demand for foods -- particularly the costlier types, will go down along with the demand for all sorts of other goods.

But American demand for food is likely to keep up pretty well for quite a while yet. And foreign countries may be poor but the people there are very hungry.

So it's good that farmers are going to try for another year of big production.

- A. W. Manchester, Radio Transcription, March 27, 1947
Station WBZ, Boston, Mass., 6:15 a.m.

BEGIN CONSERVATION MATERIALS
SHIPMENTS NOW

A short supply of railroad cars will be one of the limiting factors in the even distribution of agricultural limestone and superphosphate under the Agricultural Conservation Program this year.

One of the principal problems of the railroads in furnishing cars to ship conservation materials is unnecessary delay in unloading and releasing cars.

For this reason, State PMA Committees have been asked to work out a program for encouraging contractors, association truckers, dealers, and warehousemen to unload and release cars on the day of arrival, if possible.

WORLD'S PER CAPITA SUPPLY
OF FOOD REMAINS BELOW PREWAR

Although food production in 1946-47 is reported to be about equal to that of 1935-39, the world's population has increased by 7 or 8 percent, according to Dr. D. A. FitzGerald, Secretary-General of the International Emergency Food Council. Therefore, the world's per capita supply of food is deficient 7 or 8 percent as compared with prewar supplies.

A strong demand and an urgent need for food supplies from the United States will continue for the next year, Dr. FitzGerald said, particularly for cereals, fats and oils.

GRAIN, FEED RESEARCH
ADVISORY COMMITTEES NAMED

Two additional advisory committees which are of interest to most Northeastern farmers were established by the USDA during the past week.

Members named to the committees are as follows:

Feed Advisory Committee: L. E. Bopst, Sec-Treas., Assn. of American Feed Control Officials, College Park, Maryland; R. C. Buckels, grower, Stratford, Texas; Elwood L. Chase, Coop. GLF Mills, Inc., Chamber of Commerce Bldg., Buffalo, N.Y.; E. G. Cherbonnier, feed industry consultant, 3615 Olive St., St. Louis, Mo.; H. Clarence Eales, Asst. Gen. Mgr., Poultry Producers of Central Calif., 840 Battery St., San Francisco, Calif.; Fred J. Ludwig, grower and Director, Farmers Trading Co., Laurens, Iowa; Floyd E. Mundell, grower, Cozad, Neb.; Harold L. Peet, dairyman, Pike, N.Y.; Martin L. Salm, grower, Chilton, Wisc.; Charles Schmitt, grower, Beason, Ill.; R. C. Woodworth, Asst. to the Pres., Cargill, Inc., Chamber of Commerce Bldg., Minneapolis, Minn.

Grain Advisory Committee: W. A. Barger, producer, Larned, Kans.; Atherton Bean, Exec. Vice-Pres., International Milling Co., processor, Minneapolis, Minn.; E. J. Dullea, producer, Jamestown, N.D.; Lewis G. Graeves, President and Manager, The Charles Schneider Baking Co., 413 Eye St., N.W., Washington, D.C.; Ed Langin, producer, Imperial, Nebr.; Herschel D. Newsom, producer, Route #3, Columbus, Ind.; A. E. Staley, Jr., Pres., A. E. Staley Manufacturing Co., Decatur, Ill.; Robert B. Taylor, producer, Adams, Ore.; N. W. Thatcher, President, National Federation of Grain Cooperatives, 1923 University Ave., St. Paul, Minn.; Frank A. Theis, President, Simonds-Shields-Theis Grain Co., distributor, Board of Trade Bldg., Kansas City, Mo.; John B. Wilson, Jr., producer, Bowling Green, Ohio.

MILO APPLEY APPOINTED TO CONNECTICUT STATE PMA COMMITTEE A new member of the State PMA Committee in Connecticut is Milo Appley of Canterbury, who operates a 300-acre dairy farm in Windham County.

Except for three years when he was a member of the State Assembly, Mr. Appley has served on his county ACP committee since 1936.

Appley is active in State and local farmer organizations. For 12 years he has been on the executive committee of the local Dairy Coop Association, selling milk in the Providence and Newport markets. He is President of the Connecticut Wholesale Producers Council, a member of the county committee of the Farmers Home Administration (formerly FSA) and President of the Windham County Farmers' Exchange, of which he has been a Director since 1920.

POTATO STOCKS AT HIGH LEVEL Stocks of merchantable potatoes of the late crop in the hands of farmers and local dealers amounted to about 76½ million bushels on March 1 -- about a fourth higher than a year ago. This includes all potatoes except those held for seed, home consumption, and livestock feed on farms where grown.

States that had more potatoes on hand on March 1 than a year ago were Maine, New York, Pennsylvania, Michigan, South Dakota, Montana, Wyoming, Colorado, Utah, Nevada, Oregon and California. Those which had less were Minnesota, North Dakota, Idaho and Washington.

WORLD WHEAT CONFERENCE UNDERWAY Attending the International Wheat Conference at London as members of the U. S. delegation are L. A. Wheeler, Carl C. Farrington, LeRoy K. Smith, and Oscar Zaglits of the Department of Agriculture.

Invitations were extended to all member nations of the United Nations and all other nations belonging to the Food and Agriculture Organization. FAO and UN's Economic and Social Council were invited to send official observers.

The conference will seek to draw up an international wheat agreement which will include as major objectives fair wheat prices, adequate wheat supplies with reserves for emergencies but no accumulation of surpluses, security for efficient producers, production of wheat requirements in suitable areas, and increased wheat consumption with special attention to nutrition.

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